

PUBLIC VERSION

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VERIGY US, INC.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

VERIGY US, INC, a Delaware Corporation

Plaintiff,

vs.

ROMI OMAR MAYDER, an individual;
WESLEY MAYDER, an individual; SILICON
TEST SYSTEMS, INC., a California Corporation;
and SILICON TEST SOLUTIONS, LLC, a
California Limited Liability Corporation,
inclusive,

Defendants.

Case No. C07 04330 RMW (HRL)

**DECLARATION OF AMY PRICE IN
SUPPORT OF VERIGY'S MOTION FOR
SUMMARY ADJUDICATION OF ITS 3RD
AND 8TH CLAIMS FOR RELIEF**

Date: October 3, 2008
Time: 9:00 am
Ctmm.: 6 -- 4th Floor
Judge: Hon. Ronald M. Whyte

Complaint Filed: August 22, 2007
Trial Date: None Set

AND RELATED CROSS ACTIONS

DOCUMENT SUBMITTED UNDER SEAL

HIGHLY CONFIDENTIAL-ATTORNEYS' EYES ONLY

PURSUANT TO STIPULATED PROTECTIVE ORDER

1 I, Amy Price, declare as follows:

2 1. I am Verigy's Director of Online Communications. As such, I am responsible for
3 the processes for and publishing of Verigy website content targeted for public, customer and
4 general employee access. I am familiar with Verigy's procedures for communicating
5 electronically with its employees, and the records that are kept of such communications.

6 2. Attached hereto as Exhibit A is a true and correct copy of an email that Verigy
7 records show was sent to all Verigy employees on June 1, 2006.

8 3. Attached hereto as Exhibit B is a true and correct copy of Verigy's Standards of
9 Business Conduct, which is posted on Verigy's internal and external websites. The records of our
10 investor relations website service provider, Shareholder.com, show that this document was first
11 posted on Verigy's external website, which is publicly accessible, on June 9, 2006. Verigy
12 records further show that this document was first posted on Verigy's internal website, which is
13 only viewable by employees, on June 12, 2006.

14 I declare under penalty of perjury under the laws of the United States of America that the
15 foregoing is true and correct and that this declaration was executed this 29th day of August, 2008
16 at Austin, Texas.

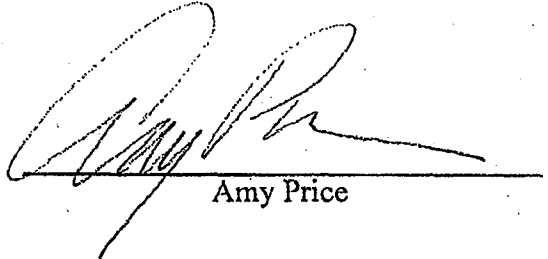
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19 Amy Price
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EXHIBIT A

**HIGHLY
CONFIDENTIAL**

**ATTORNEYS'
EYES ONLY**

FILED UNDER SEAL

EXHIBIT B

VERIGY LTD.

STANDARDS OF BUSINESS CONDUCT

(Adopted by the Board of Directors on June 7, 2006)

TABLE OF CONTENTS

	<u>Page</u>
Introduction.....	- 1 -
Your Responsibilities.....	- 1 -
General Standards of Conduct.....	- 1 -
Avoiding Conflicts of Interest.....	- 2 -
Public Communications and Filings.....	- 2 -
Public communications and filings.....	- 2 -
Communication procedures.....	- 3 -
Financial Reporting.....	- 3 -
Overview.....	- 3 -
Compliance with rules, controls and procedures.....	- 3 -
Accuracy of records and reports.....	- 3 -
Intentional misconduct.....	- 4 -
Dealing with auditors.....	- 4 -
Keeping the Audit Committee informed.....	- 4 -
Safeguarding Company Assets.....	- 5 -
Responsibilities to Our Customers, Suppliers and Competitors.....	- 5 -
Overview.....	- 5 -
Gifts and entertainment.....	- 5 -
Free and fair competition.....	- 6 -
Procedural Matters.....	- 6 -
Approvals and waivers.....	- 6 -
Reporting violations.....	- 6 -
Investigations.....	- 7 -
Disciplinary action.....	- 7 -

Introduction

The Verigy Standards of Business Conduct (the “Standards of Conduct”) apply to all directors, officers and employees of Verigy Ltd. and its subsidiaries (collectively, “Verigy”) who, unless otherwise specified, will be referred to jointly as employees. The Standards of Conduct should help guide your conduct in the course of our business. However, many of the principles described in these Standards of Conduct are general in nature, and the Standards of Conduct do not cover every situation that may arise. Use common sense and good judgment in applying the Standards of Conduct.

The Standards of Conduct are not the exclusive source of guidance and information regarding the conduct of our business. You should consult applicable policies and procedures in specific areas as they apply. The Standards of Conduct are intended to supplement, not replace, the employee handbook and the other policies and procedures of Verigy.

We are committed to continuously reviewing and updating our policies and procedures. Verigy therefore reserves the right to amend, alter or terminate the Standards of Conduct at any time and for any reason, subject to applicable law.

Your Responsibilities

- You are expected to read and understand the Standards of Conduct.
- You must uphold these standards in day-to-day activities and comply with all applicable policies and procedures in the Standards of Conduct.
- Part of your job and ethical responsibility is to help ensure compliance with the Standards of Conduct. If you become aware of possible violations of the Standards of Conduct, we encourage you to report your concerns to Verigy’s General Counsel.
- If your concerns relate to accounting, internal controls or auditing matters, you may contact the Audit Committee of the Board of Directors on a confidential, anonymous basis by contacting the **Verigy Confidential and Anonymous Financial Concerns Hotline** (the “Verigy Concerns Hotline”) in one of the three ways described under “Procedural Matters – Reporting violations” of these Standards of Conduct.
- You must cooperate with investigations into possible violations of the Standards of Conduct and be truthful and forthcoming in the course of these investigations.
- If you are unsure about any situation or any provision of the Standards of Conduct, discuss the matter with your manager or the Legal Department.

General Standards of Conduct

Honest and ethical conduct is critical to our business. All employees have a duty to comply with applicable law and to act in an honest and ethical manner in all of their dealings relating to the Company.

You are responsible for complying with all laws, rules, regulations and regulatory orders applicable to the conduct of our business. If you are located or engaging in business outside of the United States, you must comply with laws, rules, regulations and regulatory orders of the United States, including the Foreign Corrupt Practices Act and U.S. export rules and regulations, in addition to the applicable laws of other jurisdictions. If compliance with the Standards of Conduct should ever conflict with law, you must comply with the law.

You should undertake to acquire knowledge of the legal requirements relating to your duties at Verigy sufficient to enable you to recognize potential dangers and to know when to seek advice from managers or other appropriate personnel.

Violations of laws, rules, regulations and orders may subject you to individual criminal or civil liability, in addition to discipline by Verigy. Violations may also subject Verigy to civil or criminal liability or the loss of business.

Avoiding Conflicts of Interest

Your decisions and actions in the course of your employment with the company should be based on the best interest of Verigy, and not based on personal interests or benefits. You should seek to avoid situations where your personal activities and interests conflict, or appear to conflict, with the interests of Verigy. This includes situations where you may have, or appear to have, an indirect conflict through, for example, a spouse, life partner, relative or other persons or entities with which you have a relationship. A conflict may also arise when you take actions or have interests that make it difficult for you to perform your work for Verigy objectively and effectively. You must disclose to your manager any interest that you have that may, or may appear to, conflict with the interests of Verigy.

Public Communications

Public communications and filings

Verigy files reports and other documents with regulatory authorities, including the U.S. Securities and Exchange Commission and the Nasdaq National Market. In addition, from time to time we make other public communications, such as issuing press releases.

Depending upon your position with Verigy, you may be called upon to provide information to help assure that our public reports and communications are timely, complete, fair, accurate and understandable. You are expected to use all reasonable efforts to provide complete, accurate, objective, relevant, timely and understandable answers to inquiries related to Verigy's public disclosures.

Individuals involved in the preparation of public reports and communications must use all reasonable efforts to comply with our disclosure controls and procedures, which are designed to ensure full, fair, accurate, timely and understandable disclosure in our public reports and communications. In order to ensure that material information is presented to the public on a timely basis, Verigy has created a Disclosure Committee that is responsible for considering the materiality of information and determining our disclosure obligations.

If you believe that any disclosure is materially misleading or if you become aware of any material information that you believe should be disclosed to the public, it is your responsibility to bring this information to the attention of Verigy's Controller or CFO or a member of the Legal Department. If you believe that questionable accounting or auditing conduct or practices have occurred or are occurring, you should notify the Audit Committee through the Verigy Concerns Hotline. The chairperson of the Audit Committee and the General Counsel will receive your message. You may choose to provide your name and contact information or to remain anonymous. The Audit Committee and/or the General Counsel will retain any such messages for a reasonable period of time. In addition, the General Counsel or chairperson of the Audit Committee may discuss the matter with Verigy's outside auditors, other independent advisors and Verigy management, or may take other action or no action subject to their judgment and discretion.

Communication procedures

You may not communicate externally on behalf of Verigy unless you are authorized to do so. Verigy has established specific policies regarding who may communicate information to the public, the press, market professionals (such as securities analysts, institutional investors, investment advisors, brokers and dealers) and shareholders on behalf of Verigy:

- Our Chief Executive Officer, Chief Financial Officer and investor relations personnel, and their authorized designees, are our official spokespeople for financial matters.
- Our Chief Executive Officer and corporate communications personnel, and their authorized designees, are our official spokespeople for public comment, press, marketing, technical and other such information.

You should refer all calls or other inquiries from the press, market professionals or shareholders to Investor Relations which will see that the inquiry is directed to the appropriate persons within the company.

All communications made to public audiences on behalf of Verigy, including formal communications and presentations made to investors, industry groups or the press, require prior approval. Please contact Investor Relations for approvals.

Financial ReportingOverview

As a public company, we are required to follow strict accounting principles and standards, to report financial information accurately and completely in accordance with these principles and standards, and to have appropriate internal controls and procedures to ensure that our accounting and financial reporting complies with law. The integrity of our financial transactions and records is critical to the operation of our business and is a key factor in maintaining the confidence and trust of our employees, shareholders and other stakeholders.

Compliance with rules, controls and procedures

It is important that all transactions are properly recorded, classified and summarized in our financial statements, books and records in accordance with our policies, controls and procedures, as well as all generally accepted accounting principles, standards, laws, rules and regulations for accounting and financial reporting. If you have responsibility for or any involvement in financial reporting or accounting at Verigy, you should have an appropriate understanding of, and you should seek in good faith to adhere to, relevant accounting and financial reporting principles, standards, laws, rules and regulations and Verigy's financial and accounting policies, controls and procedures. If you are a senior officer, you should seek to ensure that the internal controls and procedures in your business area are in place, understood and followed.

Accuracy of records and reports

It is important that those who rely on records and reports—managers and other decision makers, creditors, customers and auditors—have complete, accurate and timely information. False, misleading or incomplete information undermines our ability to make good decisions about resources, employees and programs and may, in some cases, result in violations of law. Anyone involved in preparing financial or accounting records or reports, including financial statements and schedules, must be diligent in assuring

that those records and reports are complete, accurate and timely. Anyone representing or certifying as to the accuracy of such records and reports should make an inquiry or review adequate to establish a good faith belief in their accuracy.

Even if you are not directly involved in financial reporting or accounting, you are likely involved with financial records or reports of some kind—a voucher, time sheet, invoice or expense report. In addition, most employees have involvement with product, marketing or administrative activities, or performance evaluations, which can affect our reported financial condition or results. Therefore, Verigy expects you, regardless of whether you are otherwise required to be familiar with finance or accounting matters, to use all reasonable efforts to ensure that every business record or report with which you deal is accurate, complete and reliable.

Intentional misconduct

You may not intentionally misrepresent Verigy's financial performance or otherwise intentionally compromise the integrity of our reports, records, policies and procedures. For example, you may not:

- report information or enter information in the company's books, records or reports that fraudulently or intentionally hides, misrepresents or disguises the true nature of any financial or non-financial transaction or result;
- establish any undisclosed or unrecorded fund, account, asset or liability for any improper purpose;
- enter into any transaction or agreement that accelerates, postpones or otherwise manipulates the accurate and timely recording of revenues or expenses;
- intentionally misclassify transactions as to accounts, business units or accounting periods; or
- knowingly assist others in any of the above.

Dealing with auditors

Our auditors have a duty to review our records in a fair and accurate manner. You are expected to cooperate with independent and internal auditors in good faith and in accordance with law. In addition, you must not fraudulently induce or influence, coerce, manipulate or mislead our independent or internal auditors regarding financial records, processes, controls or procedures or other matters relevant to their engagement. You may not engage, directly or indirectly, any outside auditors to perform any audit, audit-related, tax or other services, including consulting, without written approval from the Audit Committee.

Keeping the Audit Committee informed

The Audit Committee plays an important role in ensuring the integrity of our public reports. If you believe that questionable accounting or auditing conduct or practices have occurred or are occurring, you should notify the Audit Committee through the Verigy Concerns Hotline. In particular, the Chief Executive Officer and senior financial officers such as the Chief Financial Officer and the Controller should promptly bring to the attention of the Audit Committee any information of which he or she may become aware concerning, for example:

- the accuracy of material disclosures made by the company in its public filings;
- significant deficiencies in the design or operation of internal controls or procedures that could adversely affect the company's ability to record, process, summarize or report financial data;

- any evidence of fraud that involves an employee who has a significant role in Verigy's financial reporting, disclosures or internal controls or procedures; or
- any evidence of a material violation of the policies in the Standards of Conduct regarding financial reporting.

Safeguarding Company Assets

All employees are responsible for the proper use of company assets. This responsibility applies to all of Verigy's assets, including your time, work and work product; cash and accounts; physical assets such as inventory, equipment, vehicles, computers, systems, facilities and supplies; intellectual property, such as patents, copyrights, trademarks and trade secrets; and other proprietary or nonpublic information.

All nonpublic information, including financial data and projections, proprietary and technical information, information regarding corporate developments, personal information about employees and nonpublic information of customers, suppliers and others, must only be used for company business purposes. You have an obligation to use all reasonable efforts to safeguard Verigy's nonpublic information. You may not disclose nonpublic information to anyone outside of the company, except when disclosure is required by law or when disclosure is required for business purposes and appropriate steps have been taken to prevent misuse of that information. This responsibility includes not disclosing nonpublic information in Internet discussion groups, chat rooms, bulletin boards or other electronic media. In cases where disclosing nonpublic information is required or necessary, you should coordinate with the Legal Department. The misuse of nonpublic information is contrary to company policy and may also be a violation of law.

Each employee is required to sign an Agreement Regarding Confidential Information and Proprietary Developments that addresses the use and disclosure of confidential information of Verigy.

Responsibilities to Our Customers, Suppliers and Competitors

Overview

You should respect the rights of, and deal fairly with, our customers, suppliers and competitors in compliance with law. You should not take unfair advantage of anyone through deception, misrepresentation, manipulation, coercion, abuse of privileged information or any intentional unfair business practice. You should not authorize, offer, promise or give, or solicit or accept, money, gifts, entertainment, privileges, gratuities, benefits or other items of more than nominal value intended to improperly influence, directly or indirectly, any business decision or that otherwise violate law or create the appearance of impropriety.

Gifts and entertainment

You may, from time to time, provide or accept business amenities to aid in building legitimate business relationships. Business amenities may include gifts, meals, services, entertainment, reimbursements, loans, favors, privileges or other items of value.

Any business amenity should be consistent with customary business practice and reasonable and appropriate for the circumstance. Business amenities should not be lavish or excessive. Business amenities should not violate law or create an appearance of impropriety. You should avoid providing or accepting any cash payment, or other business amenity that can be construed as a bribe or payoff. All Verigy funds expended for business amenities must be accurately recorded in our books and records. We

encourage you to contact the Legal Department if you have any questions as to whether a business amenity is permissible.

In some business situations outside of the United States, it is customary and lawful for business executives to present gifts to representatives of their business partners. These gifts may be of more than a nominal value, and under the circumstances, returning the gifts or paying for them may be an affront to the giver. If you find yourself in such a situation, you must report the gift to the General Counsel. In some cases, you may be required to turn the gift over to Verigy.

Free and fair competition

It is our policy to lawfully compete in the marketplace. Our commitment to fairness includes respecting the rights of our competitors to compete lawfully in the marketplace and abiding by all applicable laws in the course of competing. Most countries have well-developed bodies of law designed to encourage and protect free and fair competition, which are often referred to as antitrust, consumer protection, competition or unfair competition laws. These laws are broad and far-reaching and regulate Verigy's relationships with our customers, suppliers and competitors. Competition laws generally address the following areas: pricing practices (including predatory pricing, price fixing and price discrimination), discounting, terms of sale, credit terms, promotional allowances, secret rebates, exclusive dealerships or distributorships, product bundling, restrictions on carrying competing products, termination and many other practices. Violations of these laws can be punished by significant fines, large damage awards, and, in some cases, criminal sanctions, including prison sentences. Verigy is committed to obeying both the letter and spirit of these laws. Although the spirit of these laws is straightforward, their application to particular situations can be quite complex. To ensure that Verigy complies fully with these laws, you should have a basic knowledge of them and should promptly involve our Legal Department when questionable situations arise.

Procedural Matters

Approvals and waivers

Except as otherwise provided in the Standards of Conduct, the Board of Directors or its designated committee must review and approve any matters requiring special permission under the Standards of Conduct for a member of the Board of Directors or an executive officer. Except as otherwise provided in the Standards of Conduct, the General Counsel must review and approve any matters requiring special permission under the Standards of Conduct for any other employee.

Any waiver of any provision of the Standards of Conduct for a member of the Board of Directors or an executive officer must be approved in writing by the Board of Directors or its designated committee and promptly disclosed, along with the reasons for the waiver, to the extent required by law or regulation. Any waiver of any provision of the Standards of Conduct with respect to any other employee must be approved in writing by the General Counsel.

Reporting violations

You are encouraged to promptly report violations or suspected violations of the Standards of Conduct to the General Counsel. If you make an anonymous report, please provide as much detail as possible, including copies of any documents that you believe may be relevant to the issue.

If your concerns relate to accounting, internal controls or auditing matters, you may also contact the Audit Committee through the Verigy Concerns Hotline. The Verigy Concerns Hotline accepts messages

in three ways: email, voicemail, and web interface. You only need to leave one message, as all three methods deliver your message directly and immediately to the Audit Committee and the General Counsel.

Contact information for the Verigy Concerns Hotline is:

Email: vrgy@openboard.info

Voicemail: 866-352-1910

Web interface: <http://www.openboard.info/vrgy/>

It is our policy to encourage employees to promptly report violations or suspected violations of the Standards of Conduct in an environment that does not permit retaliation in any manner against the reporting employee. Reprisals, threats, retribution or retaliation against any person who has in good faith reported a violation or a suspected violation of law, this Code or other company policies, or against any person who is assisting in any investigation or process with respect to such a violation, is prohibited.

Investigations

The Board of Directors or its designated committee will be responsible for investigating violations and determining appropriate disciplinary action for matters involving members of the Board of Directors or executive officers. The Board of Directors or its designated committee may designate others to conduct or manage investigations on its behalf and recommend disciplinary action.

Subject to the general authority of the Board of Directors to administer the Standards of Conduct, the Chief Financial Officer and General Counsel will be jointly responsible for investigating violations and determining appropriate disciplinary action for other employees, agents and contractors. The Chief Financial Officer and General Counsel may designate others to conduct or manage investigations on their behalf and recommend disciplinary action. The Chief Financial Officer and General Counsel will periodically report violations of the Standards of Conduct and the corrective actions taken to the Board of Directors or its designated committee. The Board of Directors reserves the right to investigate violations and determine appropriate disciplinary action on its own or to designate others to do so in place of, or in addition to, the Chief Financial Officer and the General Counsel.

Verigy will promptly investigate any suspected violations to the extent the investigating authority deems appropriate. A person suspected of violating the Standards of Conduct may be suspended with or without pay while an investigation is conducted. Verigy will follow local grievance procedures in jurisdictions where such procedures apply.

Disciplinary action

Verigy will take appropriate action against any employee whose actions are found to violate the Standards of Conduct. Disciplinary actions may include, at Verigy's sole discretion, oral or written reprimand, suspension or immediate termination of employment, or any other disciplinary action or combination of disciplinary actions as deemed appropriate to the circumstances. A record of the disciplinary action will be retained in the employee's personnel file.

Where Verigy has suffered a loss, it may pursue its remedies against the individuals or entities responsible. Certain violations of the Standards of Conduct may also be subject to civil or criminal prosecution by governmental authorities and others. Where laws have been violated, Verigy will report violators to the appropriate authorities.